

# **National Action Plan for Energy Efficiency Midwest Implementation Meeting**

## **Breakout Group A Notes**

### ***Overview***

- Approximately 15 participants formed Group A discussion.
- Group A discussions focused on advancing the dialogue in the Midwest region to help “recognize energy efficiency as a high priority energy system resource”
- Group was charged to discuss and identify:
  - Barriers and options for recognizing energy efficiency as a high priority energy system resource
  - Assistance needed to implement the Action Plan recommendation
  - Actions and next steps

### ***Discussion Questions***

1. Do Midwest utilities recognize and capture all advantages of EE?
2. Do Midwest state statutes clearly support including EE costs in rates, and for EE to be compared with other resources in planning and siting proceedings?
3. Does the political climate in Midwest states allow for consensus on fundamental support for EE? If not, what needs to change?
4. How can EE be raised to a top-level Governors’ priority?

### ***Discussion Highlights***

1. Do Midwest utilities recognize and capture all advantages of EE?
  - No. Regulators can work with utilities to figure out how to capture the benefits of EE. There are many ways to do this.
  - Need to overcome the mindset that a utility’s purpose is to serve more load.
  - Need to look long-term for investing in EE; treat it like financing a power plant over 30-years.
  - Utilities need to find ways to make money from investing in EE. An example is investing in smart metering to allow customers to bid EE into the wholesale market, as in New England.
  - Are there T&D system and grid operations efficiencies, not just end-use efficiencies, that can be captured? An example is MISO in which their work with the balancing authorities (control areas) has led to a reduction of 1,400 MW in operation of contingency .
2. Do Midwest state statutes clearly support including EE costs in rates, and for EE to be compared with other resources in planning and siting proceedings?
  - It varies; in some states yes, in others no.
  - This is a moving target
  - It’s difficult to include EE in resource and transmission planning, as well as state generation and transmission siting.

- There are possibilities with MISO to engage on this issue; perhaps with MISO in an encouraging or facilitation mode as well as their role on transmission planning.
  - Do state transmission and generation siting laws allow consideration of EE?
3. Does the political climate in Midwest states allow for consensus on fundamental support for EE? If not, what needs to change?
    - Political climate is fast improving re: EE
    - Ultimately, behaviors and attitudes need to change to embrace EE
  4. How can EE be raised to a top-level Governors' priority?
    - Difficult because it's not sexy like ethanol.
    - Midwest Governors Association is a good opportunity.
    - Maybe Organization of MISO States can help?
    - Tie EE to economic development. Is there an opportunity for local industry to benefit?
    - Despite energy costs rising, it's difficult to get the Gov attention unless there is a problem
    - Make EE easy, financially attractive, available and have the benefits quantified.